REPORT

ON THE

SOUTH SIMCOE

LOCAL GOVERNMENT STUDY

Ministry of Municipal Affairs

Municipal Boundaries Branch

September, 1989

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Executive summary

In November, 1988 the Minister of Municipal Affairs directed Municipal Boundaries Branch staff to undertake a comprehensive study of boundary issues in the south part of Simcoe County, and to make recommendations on the best form of local government for the area.

To provide advice to the Branch, a steering committee consisting of one elected and one staff representative of each south Simcoe local municipality (the Towns of Alliston and Bradford, the Villages of Beeton, Cookstown and Tottenham, and the Townships of Innisfil, Tecumseth and West Gwillimbury), and the County of Simcoe, was appointed. A technical committee of staff from a number of provincial ministries and agencies was also established.

Through the course of seven meetings, the committee; developed terms of reference for the study, compiled a profile of pertinent facts, developed optional forms of local government, conducted a series of public meetings, and articulated final positions on the best form of local government and how to bring it about.

The terms of reference called for the determination of issues, and their resolution through "the best form of local government for the area".

The profile of pertinent facts confirmed that the current structure of local government in south Simcoe is inappropriate for existing and emerging pressures. South Simcoe is experiencing rapid growth.

Since 1970, south Simcoe's population has increased 90% as compared to 25% for the Province as a whole. This growth spills beyond the boundaries of the 140 year old municipal structure, and has resulted in ten annexation applications within the area in the last eight years. Issues stemming from this growth include; a proliferation of joint service agreements, fringe development, lack of servicing capacity in urban centres, consumption of agricultural land for urban purposes, strains on groundwater resources and sewage assimilation capacities of area receiver streams, affordable housing and planning disputes.

Three general positions evolved from the steering committee process on the best form of local government for the area. Bradford, Innisfil, Cookstown, Beeton, Tecumseth and the County saw merit in amalgamating the eight local municipalities into three area-wide municipalities. Alliston and Tottenham preferred a four municipality scenario, involving an annexation of the northerly three and one-half concessions of Tecumseth to Alliston. West Gwillimbury's position is that south Simcoe's boundaries should be resolved as part of a broader study of the entire County.

These positions were presented to the public, and a number of concerns were raised about the options and the process itself.

This report elaborates on the issues that gave rise to the study, the steering committee process, the optional forms of local government that evolved, public concerns and responses to them.

The report concludes that the municipalities in south Simcoe require both restructuring and a major area-wide servicing scheme to facilitate growth. It further concludes that there is a need to rationalize boundaries of municipalities peripheral to the study area when a county-wide study is undertaken. Finally, it concludes that as boundary and servicing issues facing south Simcoe are pressing, and consensus among steering committee members is not forthcoming, Provincial action is needed now.

The report's recommendations are that legislation be introduced, at the earliest possible date, to amalgamate the eight study area municipalities into three, and that the Province should provide financial assistance to the new municipalities to offset amalgamation impacts and equip them to manage growth. In addition, the report recommends a comprehensive servicing approach for the south Simcoe area to reduce the environmental impact of proposed development.

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Background:

Since 1981, there have been five annexation agreements implemented by Order-In-Council in the south Simcoe area. Three for the Village of Cookstown (two from the Township of Tecumseth and one from the Township of West Gwillimbury), and two for the Town of Alliston (from the Township of Adjala and the Township of Essa).

Currently, five annexation applications within the area remain unresolved. The Town of Alliston, the Village of Beeton and the Village of Tottenham passed by-laws under the Municipal Boundary Negotiations Act to initiate annexation proceedings with Tecumseth Township. Alliston and the Township of Tosorontio have agreement in principle for a small parcel of land to be annexed to Alliston for commercial use. The Town of Bradford has also applied for an annexation from the Township of West Gwillimbury.

All of the annexation applications arose from similar issues and problems, including rapid economic growth, environmental, servicing and planning. The arrival of Honda to the area resulted in further pressure for development, creating additional servicing and planning concerns.

Attempts to resolve boundary adjustments in the past have been unsuccessful. The villages of Tottenham, and Beeton, and the Town of Bradford's boundary applications were put on hold pending the outcome of the Town of Alliston/Township of Tecumseth annexation study in June, 1988. However, Alliston and Tecumseth withdrew their resolutions due to the unresolved boundary negotiations over the Honda site. The annexation issues continued.

This study was initiated on the premise that resolution of these problems could not be addressed with one-on-one negotiations between municipalities.

In this regard, the Minister of Municipal Affairs directed staff of the Municipal Boundaries Branch to undertake a comprehensive study with input and advice from the Towns of Alliston and Bradford, the Villages of Cookstown, Beeton and Tottenham, the Townships of Tecumseth and West Gwillimbury, and the County of Simcoe, which would address the complex area-wide issues and make recommendations to him on the best form of local government for the area.

The Minister wrote to the study area municipalities on November 28, 1988, requesting their cooperation and

participation in a Steering Committee. He requested that they appoint one elected and one staff representative from each municipality. Appointments were made, and the first meeting of the committee was scheduled for January 20, 1989.

Steering Committee Process:

At its inaugural meeting, the Steering Committee representatives unanimously agreed that the study area needed to be extended to include the townships of Adjala, Essa, Innisfil, and Tosorontio. The Minister extended invitations to these municipalities to participate in the study. The Township of Innisfil was the only municipality to accept the invitation. The townships of Adjala, Essa and Tosorontio were then invited to attend the steering committee meetings as observers and were assured that their boundaries would not be changed by this study, but that recommendations could be made to change their boundaries in a subsequent process. This offer was also declined.

The Steering Committee's first task was to develop terms of reference for the study, a workplan and a timetable. The terms of reference established the purpose of the study:

" To undertake a comprehensive study of local government in the South Simcoe area, within the County structure, which will result in recommendations to the Minister of Municipal Affairs, which include local government options such as: amalgamation, annexation, union of municipalities, status quo, which is best suited to meet the needs of the area for the present, and in the future."

The goals and objectives of the study were:

- To ensure that the best form of local government is established in the south Simcoe area to address current and future area-wide and local issues.

- To ensure that all municipalities, including the County, are structured to ensure: representation of areas of common interest; efficient and effective provision of all required services; political accountability and accessibility.

- To ensure that impacts on the people of Simcoe County and employees of municipal institutions in the South Simcoe area are minimized.

- To create municipalities that are strong and

financially viable to meet the current and future needs of their constituents.

- To maintain equitable County representation, based on population.

- To produce a report that defines the issues and recommends the best form of local government for the area.

- To ensure that inter-municipal agreements for the provision of services are minimized.

- To provide a model for reform that is specific to the south Simcoe area.

The expected results of the study included:

A comprehensive approach for the south Simcoe area to:

- Resolve and rationalize the water and sewer services.

- Resolve conflicting land-uses through establishment of a framework for the development of an area-wide master plan.

- Recognize the external and internal influences on

present and future growth trends, including costs of providing new services (hospitals, sewers, water, etc.)

- Manage rapid growth associated with industrial development.

- Resolve problems associated with fringe development.

- Reduce development on prime agricultural land.

- Equalize use of soft services by non-residents.

- Equalize costs and benefits of existing and future development.

- Cooperative and coordinated approach.

- Establish a local government structure best suited to meet the needs of the area.

- Provide a coordinated Provincial response to the area.

The terms of reference also called for a technical committee, to be comprised of staff from other

Provincial ministries involved with the issues. They include the ministries of: Agriculture and Food, Environment, Industry, Trade and Technology, Labour, Municipal Affairs, Revenue, Transportation, Treasury and Economics, plus Ontario Hydro. This committee provided data and advice on impacts of various local government options on their ministry's policies and programs.

Study Area Profile:

A South Simcoe Study Area Profile was compiled with assistance from the study area municipalities and technical committee representatives.

The completed Profile was intended to:

1) Provide the study area municipalities with data on other municipalities within the study area;

2) Substantiate the perception that led to the study - that the structure of local government in south Simcoe is inappropriate for existing and emerging issues and pressures, and;

3) Assist the committee in developing recommendations

for an appropriate local government structure for south Simcoe.

The information contained in the study area Profile, substantiates the perception that south Simcoe is undergoing rapid change and will continue to do so. It documents that: the population of south Simcoe municipalities is currently 47,000. Current development proposals in the area would accommodate approximately 30,000 more people (12,500 proposed residential lots x 2.5 persons/unit). In addition, several thousand acres throughout the area have been proposed for commercial and industrial developments.

It documents that municipalities with service infrastructures have no capacity and insufficient land for growth; that there is significant pressure to accommodate development on private services throughout the area; and that poor percolation characteristics of soils, combined with ground water supply and quality problems could create future environmental problems if more private systems are added.

The lack of available land has resulted in applications for boundary adjustments in urban centres. Much of the recent development has occurred on fringe areas,

adjacent to municipalities where services are available. Fringe development is a multi-faceted issue. It places urban municipalities in a difficult position, when developed lands need to be included in boundary adjustments. If the amount of assessment of the developed lands is significant, financial compensation to make the financial and administrative adjustments become necessary. For this reason, annexations involving fringe development are often hotly contested. Almost all municipalities in south Simcoe have personal experience with this phenomenon.

In addition, fringe development often relies on urban centres for servicing capacity. This often hinders the urban centre's plans for growth, as servicing capacity becomes exhausted.

The Profile also includes: an overview of the services provided at the county level; representation at county council; population statistics and projections; financial information on average taxation per household; assessment; and capital projects which are potential, planned or committed by each of the study area municipalities.

Growth Issues:

From 1970 to 1988, the Province of Ontario experienced a 25% growth in total population. Over the same period of time, south Simcoe municipalities experienced a 90% increase in growth. Whether this growth is related to south Simcoe's proximity to the Greater Toronto Area job market, the amenities of the area itself, or a combination of the two, the fact is that south Simcoe has experienced extraordinary growth over the past 20 years.

This trend appears to be continuing. Currently, within the urban centres of Alliston, Bradford, Beeton, Cookstown and Tottenham, approximately 5,500 residential units are in various stages of approval. In the townships, another 7,000 residential units are in various stages of approval. Proposals for the study area also include plans for the development of 1,300 acres for commercial and industrial purposes. Based on an estimate of 2.5 persons/household, the 12,500 proposed residential lots would accommodate 30,000 people.

According to population projections released August, 1989, by the Ministry of Treasury and Economics, the

County of Simcoe is expected to experience a 35% growth in population from 1989 to 2011. Current development proposals within the study area municipalities alone, represent 38% of the forecasted 20-year population growth for the whole county.

In the absence of structural change, growth in south Simcoe has resulted in a proliferation of joint service arrangements. The Profile documents that the study area municipalities are involved in 36 joint service arrangements. Shared services include:
fire protection, police dispatch, water, sewer, land fill, recreation, libraries, municipal law enforcement, and building code inspection.

Local service agreements are an attempt to achieve economies of scale and efficiency. They also reflect inability or unwillingness to provide services directly when they can be purchased. Many such services are provided by urban municipalities, to townships. The Township of Innisfil also extends many services to several urban centres, as well as to township municipalities. Service agreements tend to remove accountability of elected officials for the public that uses the service. They also require a considerable

amount of time and energy to negotiate. Another difficulty with joint service agreements is that the provider has no control over the size of the user community to be serviced, and no assurances that the user community will, in fact, be utilizing a facility over a period of years. This makes planning for long-term capital expenditures difficult.

The Ministry of Environment contributed information which summarizes the area's water supply, water storage and sewage treatment plant capacities. The Ministry of the Environment confirms that there is virtually no surplus water or sewage capacity in south Simcoe.

Servicing needs for both sewage and water will have major financial implications for the area if growth projections are realized. Water needs cannot be satisfied by local ground water resources which are already severely strained. In the past, contaminated water in the Beeton area resulted in a human condition known as "beaver fever", and a boil-water policy needed to be instigated.

Sewage needs present more complex solutions as Lake Simcoe cannot accept sewage effluent from the expanded

area populations as Ministry of Natural Resources' Lake Simcoe Effluent Maximum Standards policies do not allow new point sources to be established for discharge to Lake Simcoe.

Expansion of existing sewage works would not likely meet Ministry of the Environment criteria for assimilative capacity in existing streams and should be ruled out for the long term.

For the study area to accommodate the expected population growth, a major water and sewage works scheme will be required. A comprehensive scheme could also service areas beyond the study area, but for illustration purposes, the Ministry of the Environment was asked to project the cost of a servicing scheme that would accommodate an additional 50,000 people in the study area.

There are difficulties in coming up with such a projection because of the number of variables to be considered. Variables include size of plant and trunks (a "south Simcoe only" scheme would be more expensive per-capita than a broader area scheme), the extent of the "broader area", location of source and discharge points, technologies employed, etc. The Ministry of

the Environment offered a "guesstimate" of $100 M to $150 M for a servicing scheme that would accommodate a doubling of population in South Simcoe, and possibly some growth beyond.

The Ministry of Agriculture and Food provided statistics on farms, soil capabilities, crop production and other agricultural issues in the area. Much of the land classifications, in the study area, are designated Class 1 to Class 4. These land classifications are identified under the Ministry's Foodland Preservation Policy Statement and require justifications for all development proposals. If growth is to be accommodated in south Simcoe, much of it will of necessity, take place on Class 1 to 4 land. Disruption to agricultural activities can at least be minimized by encouraging new development contiguous to existing urban centres through the development of official plan policies.

Development of Options:

The Steering Committee representatives were asked to verify the information contained in the Profile, as it pertained to their municipality, so that all municipalities would have the necessary data needed on

which to base their opinion on the best form of local government.

Copies of the Profile were also distributed to the technical committee representatives to assist them in their understanding of the study area and it's issues.

The Steering Committee representatives where then asked to present various options for local government structure, based on knowledge brought into the process and that gained from the Profile.

The Town of Alliston presentation included six urban-based municipalities which covered the entire study area. The urban centres were: Alliston, Beeton, Tottenham, Bradford, Cookstown, and Innisfil. Their proposal included areas beyond the defined study area which extended into the townships of Adjala, Essa and Tosorontio. Alliston proposed that no urban centre be annexed to the Town. Their proposal would require inter-municipal servicing agreements for sewage treatment and identified the Town of Alliston as the growth centre for South Simcoe.

The Town of Bradford also presented a proposal for the entire study area. Their proposal contained three

large area municipalities: the amalgamation of Bradford and the Township of West Gwillimbury, the amalgamation of the Township of Innisfil and the Village of Cookstown, and the amalgamation of the Town of Alliston, Village of Beeton, Village of Tottenham and the Township of Tecumseth. This proposal also went beyond the defined study area by rationalizing the boundaries of Alliston and Innisfil/Cookstown into the peripheral townships. Bradford's proposal also suggested Highway 9 as a natural southern boundary (which extends south into King Township) and requested consideration of this proposal.

The Village of Beeton made a presentation of a preferred option which was to annex approximately two thirds of the Township of Tecumseth to the Village. As an alternative, Beeton would consider amalgamation of the Village with the Township of Tecumseth.

The Village of Cookstown's presentation involved amalgamation of the Village with the Township of Innisfil. Their proposal also went beyond the study area to include a western boundary which extended into the Township of Essa and an extended southern boundary into West Gwillimbury Township. Cookstown felt this was the preferred option as the Township currently

provides many services to the Village.

The Village of Tottenham's proposal contained three possible scenarios all of which annexed a large, squared off portion of the Township of Tecumseth to the Village. Tottenham felt that as they provided soft services to the area, they could also provide hard services in the future.

The Township of Innisfil made a similar proposal to the Village of Cookstown's. Their proposal amalgamated the Village of Cookstown and the Township but also annexed the northern part of the Township of West Gwillimbury. The Township advised that it's sewer infrastructure was designed to service the Gilford area. The extended southern boundary would then encompass the service area into one municipality. The Township proposal also goes beyond the study area to extend the western boundary into the Township of Essa. This proposal would capture all of the Police Village of Thornton into one municipality. The Township suggested that the Police Village be dissolved and that the area be incorporated into Innisfil. The Township did not endorse the use of highways as boundary lines as highways fracture communities of interest.

The Township of Tecumseth proposal included a unified area which would amalgamate the Town of Alliston, Village of Beeton, Village of Tottenham, Township of Adjala, Township of Tecumseth, and include that portion of the Township of West Gwillimbury between Highway 27 east to Highway 400. The Township proposal called for Adjala to retain its rural status. One sewage treatment plant could then be built on the Nottawasaga River with trunk line servicing Alliston, Beeton and Tottenham. Bond Head would fall under one municipal jurisdiction and could be developed as an urban area. No service agreements would be required but Tecumseth felt that O.P.P. policing would still be necessary because of the large amount of rural area in the proposed municipality.

The Township of West Gwillimbury proposal involved a limited annexation of lands surrounding Bradford from the Township of West Gwillimbury and recommended that the Holland Marsh lands be annexed to Bradford, from the Township of King, to capture all the Holland Marsh area under one municipality. The Township also proposed an extended western boundary for the Township, which extended into the Township of Tecumseth, one full lot, to bring the hamlets of Bond Head, Newton Robinson and Dunkerron under the jurisdiction of one

municipality. The Township's proposal also contained an extended southern boundary of West Gwillimbury, from Highway 9 east to Concession 3 in King Township.

The steering committee representatives requested structural options be developed by the Ministry. Staff of the Municipal Boundaries Branch presented a discussion paper which concluded that the steering committee options, as presented, fell into two general categories:

1) Urban centred municipalities with one centre per municipality (as proposed by Alliston and Tottenham); and,

2) Area-wide, amalgamated (unified) municipalities, approximately based on geographic townships (as proposed by Tecumseth, Bradford and Innisfil).

The discussion paper assessed the criteria for local government against the criteria set out in the Committee's terms of reference, to evaluate the two approaches.

Each criterion and it's "fit" with the two general local government structure categories presented by the

Committee was set out in a position paper as follows:

Represent areas of common interest

The difficulty with this item is defining "area of common interest". It could be argued that it is the entire south Simcoe area. A single local government for south Simcoe may well satisfy this objective, but would clearly offend many others (e.g. - accessibility, efficient provision of services, domination of County etc.). Either urban centred or township based municipalities would be preferable to a single municipality, but there would more likely be overlap between areas of common interest in a structure of smaller, urban-centred units.

Efficient and effective provision of required services

Effective and efficient provision of all required services, not just sewer and water, demands that every municipal unit be capable of providing these services to their existing and future residents and businesses. Under the current structure, this is not being achieved. Sewer and water capacity problems affecting all urban municipalities in the area make the continued provision of these services difficult. In addition, the

objective of minimizing inter-municipal agreements by establishing municipal units with an ability to provide their own services cannot be achieved under the existing structure.

Theoretically, this problem could be resolved by expanding all existing sewage and water systems within all urban centres. In reality, however, it would not be practical to pursue expansions of several systems in south Simcoe. For one thing, the assimilation capacity of area receiver streams is inadequate for additional discharge. In addition, it would be an imprudent expenditure of public funds to complete several limited expansions in the area incapable of servicing existing development proposals, let alone potential.

It would clearly be preferable to establish a few growth centres within south Simcoe so that efficient, concentrated efforts could be applied to establishing water and sewage plants with sufficient long-term capacity. Each growth centre should be the focal point of a single municipal unit so that all south Simcoe residents and businesses share in the costs and benefits. A few, large administrative units would be better equipped than small units to afford any "state of the art" systems that may be required given the

area's environmental problems.

Accountability - Administrative/Representative Capacity

The option that best satisfies the objective of eliminating inter-municipal service agreements, hence clarifying accountability, would be large units.

In addition, municipal councils rely on their staff to provide sound advice, as well as to effectively administer programs in a wide range of areas. The ability of councillors to represent and respond to constituents' needs is limited without qualified staff. Some small municipalities must operate with part-time staff in key positions, while others only have a handful of staff.

Given the increasing complexity of administering government, it is becoming more difficult for small municipalities to provide good service. A small number of staff, with a relatively large, complex workload, can result in work being contracted out or sharing services with neighbouring municipalities. This takes accountability for these services out of the direct control of the local municipality, and raises a very real question about the appropriateness of the

municipal unit.

Accessibility

The urban centred approach would be superior to larger units in terms of providing access to Council and staff. In fact, the existing local government structure would be preferable to any of the options that have been put forth. On this point "the smaller the better" prevails. But as a resident of a former small village that had unified with a surrounding township once put it - "It used to be great to be able to drop in on the Reeve any time I wanted.....the only problem was he wasn't able to do anything."

Minimize impact of change on people and employees

People and employees will be impacted under either scenario. Minimizing these impacts can also be achieved either way, through property tax phase-in, area rating, special assistance, human resource implementation plan etc. For area residents and businesses that are negatively impacted by property tax increases, it must be imparted that short-term pain is the price for the long-term gains accruing from strong municipal units with the ability to accommodate growth

and strengthened tax base.

Strong, financially viable municipalities

The urban centred approach would only result in strong, viable municipal units if each is provided with services and development opportunities to be competitive with one another. Unless major improvements are made in the six existing urban service areas, only two or three urban centred municipalities could be identified as growth centres. This would result in viability problems for the other non-viable municipalities. As noted above, service improvements to six urban centres would not be cost-efficient or reflective of area environmental problems.

The reality is that there would be "have" and "have not" municipalities under the urban centred scenario. The inevitable weaker municipalities would have difficulty financing major capital expenditures, and their limited debt capacity would further inhibit capital expenditures.

The area-wide, township based approach addresses this objective best by establishing municipal units which have the maximum opportunities for success due to

resource pooling, growth potential, ability to afford (or borrow for) appropriate water and sewer systems and other services, and an ability to pursue a collective "vision".

Equitable County representation based on population

The "equitable" part of this objective could be satisfied under either scenario in numbers terms, but strong County representation would best be achieved through larger local municipalities whose County representatives bring an area-wide perspective and voice to County Council.

Minimize inter-municipal agreements

The larger and stronger the area to be serviced, the less necessity there is for inter-municipal agreements. Such municipalities do not need services from others, and the elimination of fringe areas reduces the potential for service extension requests. The poorer, smaller municipalities in an urban centred structure would still be forced to purchase essential services from their richer neighbours.

Resolve and rationalize water and sewer services

To a degree this could be achieved under either scenario, but enclosing entire influence areas through large municipalities is superior. In addition, the ability to plan, make a case for and finance expansions is greatly enhanced through large, strong municipal units. Regardless of the municipal structure, existing plants cannot be expanded. As previously noted, no new point sources may be established for discharge to Lake Simcoe; the area has poor assimilative capacity in existing streams; and severely strained local ground water resources.

Resolve conflicting land uses and manage rapid growth through establishment of framework for an area-wide master plan

An urban centred approach would require the establishment of six growth areas, each competing for and accommodating growth that could impact on their neighbours. Conflicts across boundaries would still exist within such a structure. It would be easier to resolve conflicts and make long term planning decisions, within a structure of large local municipalities, each able to define and service appropriate growth centres, thereby preserving other areas for agriculture etc. Smaller municipalities

would not be in as advantageous a position to accommodate development and retain other areas for non-urban uses. They are also disadvantaged by their lack of strength in dealing with the Province for solutions to area-wide problems, inability to accommodate development with existing or moderately expanded servicing capacity, and full-time staff with skills needed to deal with increasingly complex issues.

Resolve fringe development problems

In the short term, either structure would be appropriate for resolving fringe development problems. Over time though, as each urban centred municipality grows, encroachment occurs and municipalities begin to impact on one another. Although this could be addressed by upholding restrictive land use plans for rural municipalities, there would continue to be pressure to open these areas up for development to strengthen tax base.

Reduce development on prime agricultural lands

Large municipalities could address this problem better as development could be concentrated in a few centres, resulting in an ability to preserve other areas for

agriculture. Everyone within the municipality would benefit, so it would be easier for the municipalities to direct the location of development. A greater number of urban centred municipalities would result in expansions of each of them onto agricultural land, and create more urban-rural inter-face problems.

Equalize use of soft services by non-residents

Either scenario would be superior to status quo on this item. The larger the influence area enclosed within the municipal unit, the better. If entire areas of use are encompassed, the need for duplication of services is reduced and fairness in user pay is applied.

Equalize costs and benefits of existing and future development

This would best be achieved within a structure of large, area-wide municipalities that encompass present and future influence areas.
Future development could be directed to a growth centres within each municipal unit, and the entire municipality would benefit. Existing and potential fringe areas would be eliminated, ensuring that the costs and benefits of services accrue to the people and

property within the municipality.

Benefits of future development cannot be realized by each of a number of smaller, urban-centred municipal units because of the impracticality of equipping them with adequate services. As well, urban-centred boundaries that may not appear to be "tight" now, will rapidly become so, given the growth pressures being experienced within the area. Overlaps will soon occur between providers and receivers of services, and the existing problem on this point will recur.

Refinement of Options:

The discussion of local government criteria in the context of two general categories of options favours a structure involving large, area-wide municipal units. In this regard, the Ministry presented four scenarios, all basically variations of three municipal units.

The three municipality approach, and the rationale used to justify it, was generally accepted by: the Town of Bradford, the Village of Cookstown, the Village of Beeton, the Township of Innisfil, the Township of Tecumseth, and the County of Simcoe.

The steering committee was asked to assess this concept and criteria in relation to their individual proposals. Subsequently, a revised option which contained four municipalities was introduced. This option was endorsed by the Town of Alliston and the Village of Tottenham. This option called for the amalgamation of Cookstown and Innisfil with an expanded southern boundary into West Gwillimbury Township; the amalgamation of Bradford and West Gwillimbury with a slightly expanded western boundary into Tecumseth Township; and two municipalities west of the West Gwillimbury boundary as follows: the amalgamation of Tottenham, Beeton and approximately half of Tecumseth Township; and remnant Tecumseth annexed to the Town of Alliston.

Alliston and Tottenham share the view that a municipal unit should encompass an area that can be provided with hard and soft services. They also believe that the amount of growth that is desired in south Simcoe can be accommodated by expansions to existing sewer and water plants. Alliston wants to be recognized as the major focal point of development in south Simcoe. To preserve it's identity, it does not want to be part of a municipality that includes other urban centres. Tottenham does not see the necessity for a large

municipality unless a tremendous amount of growth is to occur. Tottenham feels that a large municipality will require big, inaccessible, expensive government, and that the larger the municipality, the less representation for Tottenham. Alliston and Tottenham are both concerned about the costs for, and necessity of, a major area-wide servicing scheme when existing facilities can be expanded.

It is important to note that Tottenham's acceptance of the four municipality scenario is a compromise from their initial position that it should be a focal point for growth, and that it should be given sufficient land to accommodate whatever amount of growth was projected for it's area. Tottenham's original position was that the south-west quadrant of Tecumseth should be annexed to it for moderate growth, and that the south one-third of Tecumseth should be annexed for substantial growth.

The philosophy of Alliston and Tottenham is that they have proven to be capable of providing good government and administration to their current jurisdictions, and that they would be able to continue doing so with enlarged jurisdictions.

On the growth issue, there seems to have been a misunderstanding about how much growth is to accommodated in south Simcoe. It is clear that south Simcoe has been "discovered" by people who work in the Toronto area and desire relatively (by Toronto area standards) affordable homes. This phenomenon renders the use of extrapolations of past growth trends questionable. It appears that south Simcoe municipalities are in a position to accommodate as much development as they wish to. As Innisfil Reeve Grant Andrade said "We can be Mississauga if we want to". This is not to say that south Simcoe should be Mississauga, but that it could be. Alliston and Tottenham seem to have an impression that a single municipality west of Highway 27 has been promoted in order to accommodate a vast amount of development. This impression may stem from Alliston and Tottenham's belief that a municipality should consist of an urban centre and sufficient territory around it for future growth.

In fact, it was never suggested that a single municipality was necessary for full urban development. The principle behind the single municipality concept was a municipal unit that would have choices available to it for locations and amounts of development, and to

share the costs and benefits of this development. Any vision that elected officials from Alliston and Tottenham have for the areas that they represent is attainable under a one municipality structure.

Alliston and Tottenham note expansions to existing service plants will be sufficient to accommodate the amount of growth that they foresee for their municipalities. The Ministry of the Environment, however, points out that local groundwater resources are already severely strained and that expansion of existing sewage works would not meet it's criteria for assimilative capacity of existing streams. An area-wide servicing scheme is required regardless of the structure of local government and the amount of development to be accommodated in the area.

Regarding representation and accessibility, there is no question that the larger the municipality and the population within it, the less representation and accessibility for the individual. But representation and accessibility must be balanced with strength and viability of the municipal unit.

There has never been a question about the capabilities of the staff and elected officials of Alliston and

Tottenham to represent an expanded area including rural and urban interests. But like the representation and accessibility issues, at what price should individual domains be retained?

The Township of Tecumseth and the Village of Beeton opposed the scenario put forth by Alliston and Tottenham because it did not provide the shared, area-wide opportunities presented by the single municipality scheme that they prefer. Tecumseth and Beeton also expressed concern about the "have" and "have not" nature of the Alliston/Tottenham proposal, resulting in a northern municipality with a 56%:44% residential/commercial assessment ratio, and a southern municipality with an 85%:15% ratio.

The Township of West Gwillimbury maintained its' position on the status quo, with a limited annexation of lands to the Town of Bradford. They maintained that the township could remain viable given a <u>small</u> annexation to the Town of Bradford. A small annexation consisting of approximately one township lot surrounding the Town of Bradford, would result in a loss of 11% of the Township's equalized assessment. This annexation can only be termed a short term solution and still places a heavier financial reliance

on the Township for the purchase of urban services. It would also place a strain on the Township to further accommodate future growth on lands not adjacent to urban centres.

The Committee determined that it was time to inform the general public of the work achieved to date, and to get public input on local government options.

Public Participation:

The Steering Committee agreed to hold two public meetings: one scheduled for July 12, 1989 to be held in Bradford, and one scheduled for July 13, 1989 at the Nottawasaga Inn.

The Ministry of Municipal Affairs issued a press release inviting all interested parties to attend the meetings and submit written comments.
The steering committee agreed to present the two general options that had evolved: a three municipality option supported by: Town of Bradford, Township of Innisfil, Village of Cookstown, Village of Beeton and Township of Tecumseth; and, a four municipality option supported by the Town of Alliston and the Village of

Tottenham. (See attached maps.)

Prior to the steering committee's public meetings, Alliston, Tottenham and West Gwillimbury held their own meetings/open houses to apprise local residents of their council's views. The Township of Tecumseth held an open house after the scheduled public meetings.

Financial Impacts:

The steering committee determined that area residents should be apprised of how the restructuring would impact their taxes. In this regard, the treasurers of the study area municipalities and Ministry staff met and decided on a methodology to reflect the impact on property taxes. The methodology assumed that on day one of restructuring, no new services would exist, except for local police, and no new capital expenditures would be undertaken as these would be decisions for a newly elected council.

The approach employed was to take the total equalized, residential and commercial assessments per municipality divided by the number of households to determine an average assessment per household. The average assessments were then applied to actual municipal

budgets for 1988 fiscal year (excluding any capital expenditures).

Policing costs were then applied, to rural areas that currently receive free O.P.P. coverage, as it had been assumed that the restructured municipalities would be "towns", and under the Police Act, towns must provide policing. This then determined an average property tax per household and was compared to actual property taxes as they existed in 1988.

Thirty-eight percent of the study area population, or 17,871 people, currently experience free policing. The municipalities receiving free O.P.P. coverage are: Cookstown, Beeton, Tottenham, Tecumseth and West Gwillimbury.

The Ministry of the Solicitor General suggested the following formula to determine police costs: 1 constable per 700 people x $70,000. Approximately $1.8 million would be required for additional policing costs using this formula. (17,871 people divided by 700 = 25.5 constables x $70,000/constable = $1.8 million.)

This property tax analysis was distributed at both public meetings. (See Appendix A.) Approximately

1,300 area residents were in attendance.

The two public meetings, and the three municipal open houses, generated 372 written letters and submissions, which outline the resident's concerns about the process, and/or support for a preferred local government structure. Some municipalities, and residents' groups, circulated form letters or petitions, requesting their support for the three municipality option, the four municipality option or requesting the status quo with accompanied request that restructuring be undertaken at the county level.

Concerns:

The major concerns expressed at the public meetings and in the written submissions, followed by comments, are as follows:

- o insufficient information on property tax impacts due to major servicing requirements, and Provincial assistance to offset these impacts.

It was pointed out that costs can only be determined after the municipal units have been created, and decisions re planning, growth, service levels, and

programs have been made. It was also explained that costs related to restructuring were an issue in the recent Sarnia/Lambton restructuring discussions, and that those municipalities made a request for Provincial special assistance.

- exclusion from the study area of the peripheral Townships of Adjala, Essa, Tosorontio and King.

These municipalities <u>are</u> related to south Simcoe, and appropriate adjustments to their boundaries will need to be made. It was pointed out that commitments had been made to Essa, Adjala and Tosorontio that their boundaries would not be directly affected by the south Simcoe study, but that recommendations for future rationalization could be made. The County of Simcoe has applied to the Ministry of Municipal Affairs to undertake a county-wide study. These adjustments can be addressed under the Terms of Reference for the County Study.

- inadequate justification and supporting information on the need for and nature of, change.

It was also noted that issue facing the study area municipalities are too pressing to await the outcome of

a County Study, and that it seemed appropriate to proceed towards establishing basic blocks that can be added to later.

The facts pointing to a need for change were documented in the area Profile compiled by the steering committee. The nature of the changes recommended are supported by a number of the steering committee representatives.

- restructuring should take place under an overall County of Simcoe study.

The servicing needs and development pressures facing south Simcoe are too pressing to await the outcome of the County study.

- agricultural land will disappear.

Preservation of agricultural land is easier to accomplish within municipalities that contain urban centres and planning controls. Purely rural municipalities are forced to consume farmland to enrich their tax bases to support an ever increasing demand for services.

- insufficient involvement of the public prior to decision-making.

Steering Committee representatives were free to discuss the workings of the committee and minutes of the meetings were to be made available in each of the study area municipalities through open Council meetings. Five public meetings were held, and written submissions were invited. Additionally, the Study Area Profile was available at municipal offices.

- loss of rural representation on an urban dominated council.

Representational concerns can be addressed through the establishment of a ward system, to ensure that the rural voice is not lost.

- change of small-town/country "way of life".

The small town/country "way of life" will be affected in this burgeoning area, notwithstanding the structure of local government. Growth can be introduced in a rational, and orderly fashion to minimize it's impact.

- "rural" people paying for "urban" services.

An area-rating system of local taxation can be implemented by the new restructured municipalities to ensure that urban services are funded only by urban ratepayers.

Final Steering Committee Meeting:

The Steering Committee met on August 17, 1989 to review the public meetings, discuss the submissions and re-evaluate positions. At that time, the steering committee representatives advised that their municipal positions had not altered as a result of the public input process. Some Steering Committee members stated that is was evident that a municipal consensus would not be forthcoming.

However, concern was expressed that if the south Simcoe study was delayed or turned into a Simcoe County study, momentum of the last nine months would be lost, as well as the investment in time, and that the issues were too pressing. Several steering committee representatives indicated that in their opinion, a county study would generate the same results.

Committee representatives felt that although they were the best group to deal with the issues surrounding

south Simcoe, the Ministry of Municipal Affairs must establish direction and leadership. However there was consensus that change to the structure of local government in South Simcoe is required.

Conclusions:

South Simcoe is a growth area as evidenced by the fact that development proposals currently before the study area municipal councils exceeds the 20-year projection for the area.

The municipalities in the south part of Simcoe County require both restructuring and a major area-wide servicing scheme to:

to improve the local political environment for existing and future industries;

to provide services to existing and future residents and industries;

to effectively determine land uses for the preservation of valuable agricultural land plus a full range of

housing stock;

to place municipalities in a strong, financially viable position with greater accountability for elected councils;

to enable local elected officials to develop and implement an area-wide, cooperative vision as opposed to "us vs. them";

to eliminate divisive annexation applications and reduce the potential for them in the future;

to reduce joint service agreements;

to provide for local job opportunities as opposed to the dormitory/commuter appeal that is currently being promoted by area developers;

to demonstrate that restructuring is indicative of long term vision and may be used as a potential Provincial model; and,

to lighten transportation pressures on the Greater Toronto Area.

As no consensus is forthcoming, on the best form of local government for the area, it is further concluded that Provincial action is required now.

Recognition also exists of the need to rationalize boundaries of the municipalities on the peripheral of the study area. The Townships of Adjala, Essa and Tosorontio may require boundary adjustments, with the restructured municipalities, when a county-wide study of Simcoe County is undertaken. Within the study area itself, restructuring is needed now.

Additionally, the Township of West Gwillimbury and the Town of Bradford have identified the Township of King in the Regional Municipal of York, as a municipality which will require a boundary adjustment to bring all of the Holland Marsh area under one municipal jurisdiction.

It is also recognized that restructuring will have certain financial impacts on the eight municipalities in the study area.

Integration of approximately 250 full time municipal staff currently employed by the eight municipalities, into new municipal structures will require the services

of a personnel/management consultant and implementation. The study area municipalities wish to ensure that employees of the existing municipalities will have comparable jobs with the restructured municipalities.

Additional implementation costs involve the integration of eight official plans into revised plans for the newly structured area. The municipalities have requested Provincial assistance in preparing these documents.

An impact due to the requirements under the Police Act, that municipalities with town status must provide policing, will result in increased costs estimated at $1.8 million. The study area municipalities have expressed an interest in Provincial assistance to offset this impact.

RECOMMENDATION

Whereas south Simcoe is a growth area, and does not have the appropriate municipal local government structure or servicing capacity to manage this growth;

and as no consensus can be reached by representatives of the south Simcoe steering committee on an appropriate structure;

and whereas urgent development pressures exist in the study area;

and whereas a three municipality structure for south Simcoe best meets the objectives set out in the terms of reference for the south Simcoe Local Government Study,

it is recommended that the Honourable John Sweeney, Minister of Municipal Affairs, endorse three municipalities, in the south Simcoe study area, (see map of recommended option attached), and that appropriate, implementing legislation be introduced at the earliest possible date.

It is recommended that the legislation include the following provisions:

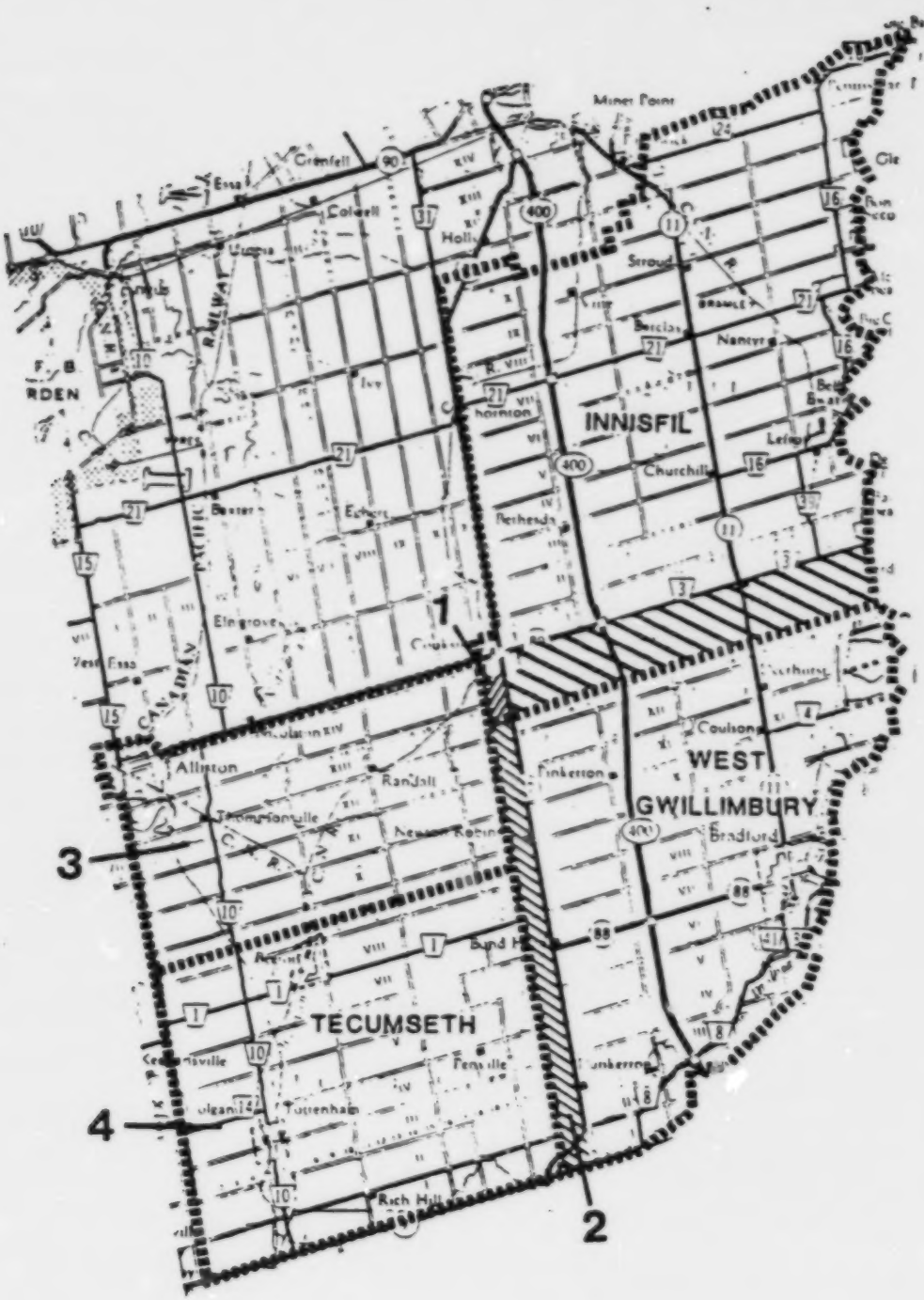
- effective date of January 1, 1991
- municipalities to have town status
- establishment of composition of local councils for period prior to municipal election in 1991
- authority for municipalities to determine an appropriate ward system to address the representation issue
- establishment of composition of local councils for municipal election
- representation of area on County Council to be unchanged from existing representation
- protection for employees of existing municipalities
- retention of existing policing arrangements for a defined period of time
- joint planning for interim period between effective date of legislation and effective date of amalgamation.

It is further recommended that the Province provide financial assistance to the new municipalities to offset amalgamation impacts and equip them to manage growth.

This assistance should be made available with respect to the following items:

- human resources consultant and implementation
- servicing scheme study
- servicing scheme land acquisition, plants and trunks
- new official plans
- property tax phase-in assistance due to take-over of local police responsibility.

3 - MUNICIPALITY OPTION



4 - MUNICIPALITY OPTION

Legend:

"1" "2" "3" "4" refer to portions of Tecumseth that have been separately analyzed for property tax impact purposes (see last sheet in this package).

4 - MUNICIPALITY OPTION

RECOMMENDED OPTION

SOUTH SIMCOE PROPERTY TAX ANALYSIS

Appendix A

THE FOLLOWING ARE COMPARISONS OF TAXES PER **AVERAGE** HOUSEHOLD FOR 1988 AS THEY ACTUALLY WERE, COMPARED TO WHAT THEY WOULD HAVE BEEN IF THEY HAD ALREADY BEEN REORGANIZED IN 1988:

	1988 ACTUAL	THREE MUNICIPALITY OPTION	FOUR MUNICIPALITY OPTION
COOKSTOWN	$1,358.84	$1,161.03	$1,161.03
INNISFIL	$1,212.24	$1,240.07	$1,240.07
BRADFORD	$1,310.11	$1,330.82	$1,338.50
ALLISTON	$1.225.17	$1,159.72	$1,178.54
BEETON	$1,341.91	$1,490.55	$1,456.20
TOTTENHAM	$1,203.88	$1,460.59	$1,426.93

SOUTH SIMCOE PROPERTY TAX ANALYSIS

	1988 ACTUAL	THREE MUNICIPALITY OPTION	FOUR MUNICIPALITY OPTION
WEST GWILLIMBURY			
AREA 1	$1.358.30	$1,259.38	$1,259.38
AREA 2	$1,358.30	$1,565.46	$1,534.46
AREA 3	$1,358.30	$1,525.66	$1,534.46

DESCRIPTION OF AREAS (SEE MAPS)

AREA 1 = 1 AND 1/2 CONCESSIONS SOUTH OF HIGHWAY 89

AREA 2 = BETWEEN HIGHWAY'S 400 AND 27

AREA 3 = BALANCE OF WEST GWILL, NOT IN AREAS 1 AND 2

SOUTH SIMCOE PROPERTY TAX ANALYSIS

	1988 ACTUAL	THREE MUNICIPALITY OPTION	FOUR MUNICIPALITY OPTION
TECUMSETH			
AREA 1	$1.393.46	$1,316.28	$1,316.28
AREA 2	$1,393.46	$1,636.18	$1,603.79
AREA 3	$1,393.46	$1,636.18	$1,662.75
AREA 4	$1,393.46	$1,636.18	$1,598.48

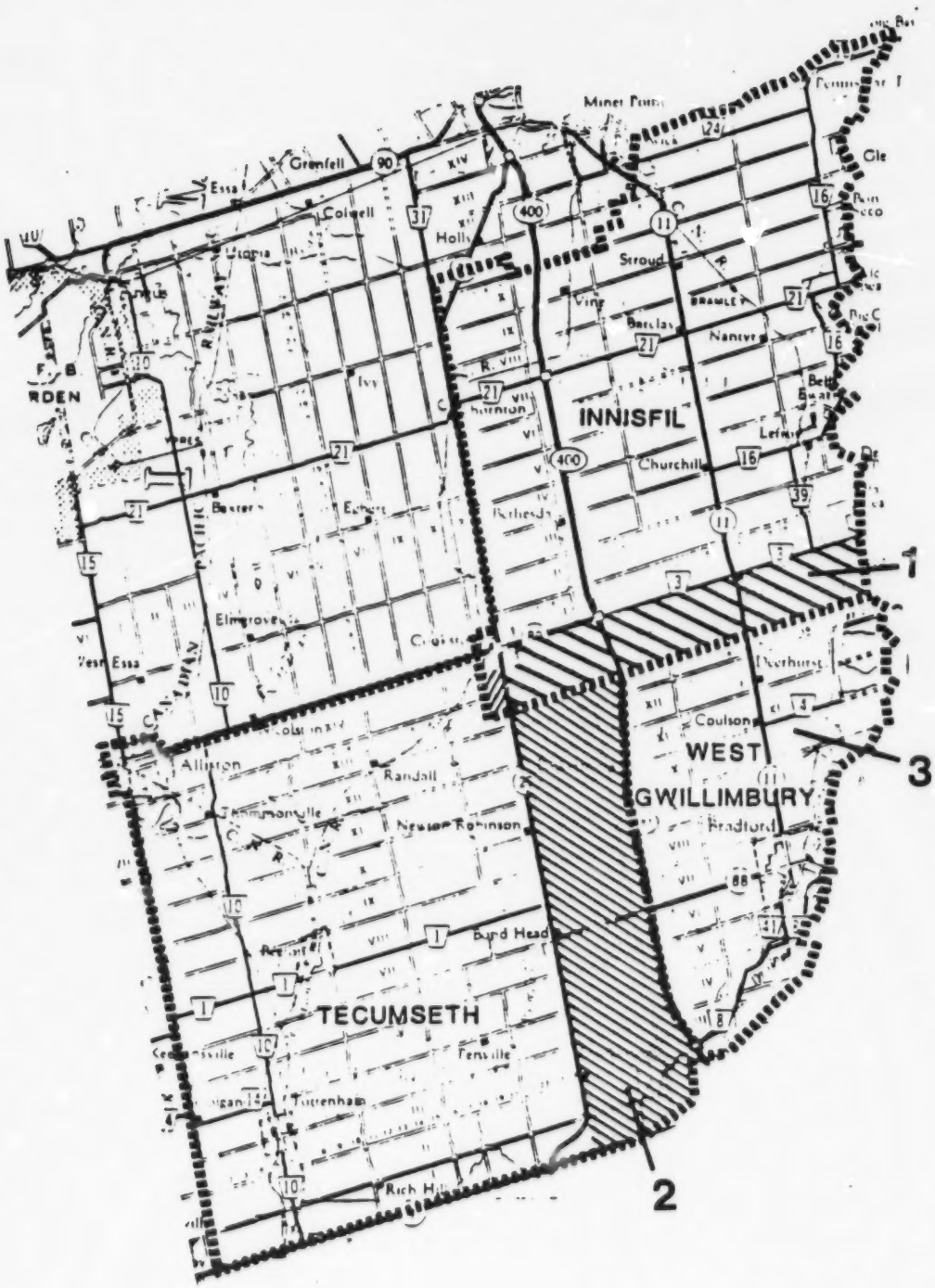
DESCRIPTION OF AREAS (SEE MAPS)

AREA 1 = AROUND COOKSTOWN, 1 AND 1/2 LOTS WEST OF HWY 27, AND 1 AND 1/2 CONC. SOUTH OF HWY 89

AREA 2 = STRIP INCLUDING 1 AND 1/2 LOTS WEST OF HWY 27, FROM SOUTH OF AREA 1 TO TECUMSETH'S SOUTH BOUNDARY

AREA 3 = FROM HALF WAY BETWEEN CONCESSIONS 9 AND 10 TO TECUMSETH'S NORTH BOUNDARY

AREA 4 = FROM HALF WAY BETWEEN CONCESSIONS 9 AND 10 TO TECUMSETH'S SOUTH BOUNDARY



3 - MUNICIPALITY OPTION

Legend:

"1" "2" "3" refer to portions of West Gwillimbury that have been separately analyzed for property tax impact purposes (see second last sheet in this package).